

DIVISION 80

OPERATIONS

111-080-0001

Payment Methods and Dates

(1) For the purpose of this rule:

(a) "ACH credit" means a payment initiated by a Participating District that is cleared through the Automated Clearing House (ACH) network for deposit to the OEGB account;

(b) "ACH debit" means a payment initiated by OEGB and cleared through the ACH network to debit a Participating District's account and credit the OEGB account;

(c) "District Payment" means the monthly district payment to OEGB that includes the contributions of both Participating District and members required to pay the monthly premiums for selected OEGB benefit plans;

(d) "District Payment Invoice" means a monthly itemized statement provided by OEGB that includes the contributions of both Participating District and members required to pay the monthly premiums for selected OEGB benefit plans;

(e) "Due date" means the seventh business day into the current month of coverage;

(f) "Electronic funds transfer" refers to a payment through ACH credit or ACH debit;

(g) "Participating District" means a Subject District, Provisional Non-subject District and Non-subject District participating in OEGB.

(2) Participating Districts will receive a final District Payment Invoice from OEGB on the first of the month that details the payments due for that month.

(3) If the final District Payment Invoice is received on a weekend or legal holiday the receipt date is recognized as the next business day.

(4) Participating Districts are required to submit payment to OEGB through electronic funds transfer no later than the due date.

(5) OEGB reserves the right to issue surcharges or other appropriate measures to Participating Districts that submit monthly payments after the due date.

(6) Participating Districts will select an electronic funds transfer method by:

(a) Submitting an electronic funds transfer authorization form to OEGB by August 15th for payments starting October 1st of the plan year;

(b) Submitting a new electronic funds transfer authorization form to OEGB by August 15th to change the type of payment or update their account information starting October 1st of the plan year.

111-080-0005

Overpayments and Underpayments

(1) For the purpose of this rule:

(a) "Overpayment" means the amount of a Participating District's monthly payment to OEGB that exceeded the amount due.

(b) "Underpayment" means a payment submitted by a Participating District that is less than the invoiced amount.

(2) Participating Districts seeking a refund of overpayments must:

(a) Notify OEGB within 90 calendar days from the date overpayment occurred;

(b) OEGB will resolve member overpayments by requesting a refund from the carrier in accordance with the law. The carrier shall refund the premium to OEGB back to the date of the termination or the date allowed by law for recoupment of paid claims.

(c) OEGB will generally reimburse Participating District overpayments through adjustments to future monthly payments.

(3) The Participating District shall submit any underpayment to OEGB as soon as it is discovered.

(4) OEGB reserves the right to issue surcharges or use other appropriate means for Participating District's that submit underpayments.

111-080-0030

Appeals and Administrative Reviews

(1) Eligibility, enrollment issues or rescissions. OEGB has an Appeal process consisting of three levels that a member can use if they disagree with an eligibility determination,

enrollment record. If the appeal is a result of a rescission, or a determination that the benefit is not a covered benefit, coverage will continue pending the outcome of the appeal. These three levels are:

(A) Appeal. An Appeal is the first level and must be received by OEGB in writing. OEGB staff gathers all information and sets up the Appeal file. OEGB Staff reviews the Appeal and makes a decision. The member is then notified in writing of the OEGB staff's decision. If the decision is an adverse benefit determination, the notice will include the specific reason(s) for the decision, a reference to the specific plan provision or OAR on which the determination was based a description of any additional information required and a description of the OEGB appeals process.

(B) Request for Reconsideration. A Request for Reconsideration is the second level and can be used if the member is not satisfied with the outcome on their Appeal. The request by the member must be received in writing within 31 days of receiving the Appeal decision notification. OEGB staff requests any additional information needed and includes in the Appeal file. The OEGB Management Team reviews all the information contained in the file (from the Appeal and the Request for Reconsideration) and makes a decision. The member is then notified in writing of the OEGB Management Team's decision. If the decision is an adverse benefit determination, the notice will include the specific reason(s) for the decision, a reference to the specific plan provision or OAR on which the determination was based, a description of any additional information required and a description of the OEGB appeals process.

(C) Administrative Review Request. An Administrative Review Request is the third level and can be used if the member is not satisfied with the outcome on their Request for Reconsideration. The request by the member must be in writing OEGB staff requests any additional information and adds it to the Appeal file. OEGB staff will schedule an Administrative Review Committee meeting. OEGB staff will notify the member and all applicable parties of the date, time and location. At the meeting, the Administrative Review Request will be presented to the Administrative Review Committee members and after considering all documentation and possible public comment, a decision is made. The member will be notified in writing of the Administrative Review Committee's decision. If the decision is an adverse benefit determination, the notice will include the specific reason(s) for the decision, a reference to the specific plan provision or OAR on which the determination was based a description of any additional information required and a description of the OEGB appeals process.

(2) Benefit and claim issues. Following the Insurance Carrier's appeals process, a member can request an administrative review by OEGB. An Administrative Review Request can be made to OEGB if the member is not satisfied with the outcome after completing the carrier's appeal process. OEGB staff gathers all information and sets up the file. The OEGB Contracts Officer will complete an initial review of the file to ensure

it is limited to a determination of whether or not a service or benefit was intended to be covered under the current contract. The initial review will assess whether there is documentation contained within the contract or member handbook relating to the benefit that was denied. If the Administrative Review request does not meet the specified criteria the Contracts Officer will refer it to the OEGB Management Team and the member will be notified in writing of the OEGB Management Team's decision. If the request does meet the specified criteria, OEGB staff will schedule an Administrative Review Committee meeting. OEGB staff will notify the member and all applicable parties of the date, time and location. At the meeting, the Administrative Review Request will be presented to the Administrative Review Committee. They will consider all documentation and public comment and make a decision in accordance with the information presented. The member will be notified in writing of the Administrative Review Committee's decision. If the decision is an adverse benefit determination, the notice will include the specific reason(s) for the decision, a reference to the specific plan provision or OAR on which the determination was based a description of any additional information required and a description of the OEGB appeals process.

111-080-0040

Eligibility and Policy Term Violations – Definitions

For the purposes of OAR 111-080-0045 and 111-080-0050, the following definitions will apply:

(1) "Eligibility or Enrollment Violations" means and includes a violation of the Oregon Educators Benefit Board's eligibility or enrollment rules or policies including fraud or material misrepresentation. Misstatements, misrepresentations, omissions or concealments on the part of the OEGB member are not fraudulent unless they are made with intent to knowingly defraud. OEGB has primary responsibility in investigating such violations. If an Eligibility Violation is considered a violation of the insurance carrier's policy, then the violation may also be considered a Policy Term Violation, and OAR 111-080-0050 would also apply.

(A) "Intentional Violation" is a violation that has occurred in which OEGB has electronic or written documentation that the eligible employee took action resulting in a non-eligible member being enrolled in OEGB benefits.

(B) "Unintentional Violation" is a violation that has occurred in which the eligible employee was not aware that such violation had occurred and there is no evidence of the eligible employee completing a paper form or logging in and enrolling an ineligible member in OEGB benefits.

(2) "Policy Term Violations" means and includes a violation of the insurance carrier's policy terms. The insurance carrier has primary responsibility in investigating such violations.

111-080-0045

Eligibility Violations

(1) Unintentional Violation:

(A) OEGB will remove from coverage an ineligible OEGB member due to eligibility or enrollment violations. Removal from all benefit plans will be retroactive to the date the individual is determined to have no longer been eligible, or the effective date of coverage if eligibility criteria was never met unless in conflict with federal healthcare reform.

(B) When an eligibility or enrollment violation has been discovered and investigated, OEGB will notify the member and the Educational Entity with the outcome. If the outcome includes rescission of coverage, OEGB will give a 30 day notice of such rescission prior to terminating coverage retroactively to the date the member was no longer eligible for benefits.

(C) The member may be responsible for any claims paid during the period of time the member was enrolled inappropriately.

(2) Intentional Violation:

(A) The ineligible member shall be removed from coverage by OEGB. The ineligible member's coverage will be retroactively terminated to the date the individual is determined to have no longer been eligible, or the effective date of coverage if eligibility criteria was never met.

(B) OEGB may terminate the eligible employee along with remaining dependents from all plans excluding basic and mandatory plans selected by the educational entity. This will be a prospective termination lasting for a period of 12 months. The prospective termination will be effective the first day of the following month that the Intentional Violation was discovered.

111-080-0050

Policy Term Violations

(1) An OEGBB-contracted insurance carrier may remove from coverage and/or deny the claims of an OEGBB member due to policy term violations. Removal from coverage for policy term violations is at the discretion of the insurance carrier.

(A) If a policy term violation results in a termination from the plan or carrier that the violation was committed, it will not prevent the member from continuing enrollment in other OEGBB types of coverages (e.g., medical, dental, vision, life, etc.), as long as they remain an employee and eligible for these benefits.

(B) If an eligible employee commits a policy term violation and loses coverage, OEGBB will remove the entire family from the insurance plan since the benefits are extended to his or her dependents through the eligible employee. If the eligible employee chooses to, and it is offered, they can enroll in a different carrier plan (if applicable) during open enrollment and cover themselves and dependents during the upcoming plan year.

(C) If a dependent commits a policy term violation, OEGBB will remove only the dependent from the insurance plan. If the eligible employee chooses to and it is offered, they can enroll in a different carrier plan (if applicable) during open enrollment and cover the dependent during the upcoming plan year, or as defined by the carrier.

(D) The OEGBB member who is removed from an OEGBB sponsored insurance plan may appeal the decision through the carrier that terminated coverage.

(E) When a policy term violation has been discovered and investigated, the applicable insurance carrier will notify OEGBB and the member with the outcome.

(2) The insurance carrier may do the following when a member has violated a provision of the policy the OEGBB member has enrolled in, committed fraudulent activity or misrepresentation:

(A) The insurance carrier may retain the value of any expenditure it made related to the member who committed the fraudulent activity or misrepresentation.

(B) The insurance carrier may deny future enrollments of the individual in accordance with the carrier's policies.